

**In The Matter Of:**  
*Hodell-Natco Industries, Inc., v.*  
*SAP America, Inc., et al.*

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*Jon Woodrum*  
*June 19, 2012*

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*Original File 06.19.12 Hodell-Natco Industries\_Inc.\_v. SAP America\_Inc.\_et al. Witness Jon Woodrum.txt*

*Min-U-Script® with Word Index*

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1 experience with In-Flight Enterprise, other than with  
2 Hodell?  
3 A. Through FACTS, through support of the FACTS  
4 customers that might have been on In-Flight I would have  
5 had some familiarity, or conversations with those  
6 customers in support.  
7 Q. Okay. And when you say support, can you flush  
8 that out for me?  
9 A. FACTS customer would call and ask how to do  
10 something, or they would have an error, or they would be  
11 adding a new functionality they wanted training on, or  
12 new employee. So just whatever they needed to, to  
13 operate their software.  
14 Q. Okay. So in your experience, what happened  
15 when Hodell went live with Business One and In-Flight  
16 Enterprise?  
17 A. It was a continual mode of issues, and  
18 corrections, and patch level updates, and contacting as  
19 many authority, software authorities for  
20 recommendations, and just a myriad of things to try to  
21 improve the performance.  
22 Q. When did those efforts start?  
23 A. I would say immediately.  
24 Q. After go live, did you have any personal  
25 experience of Business One with In-Flight Enterprise at

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1 Hodell? Meaning, did you see it in action, so to speak?  
2 A. I, I did see it in action, yes.  
3 Q. Roughly, when was that?  
4 A. I don't know the date. They had a store here,  
5 they have a store in St. Louis, and I personally went  
6 over there and watched them do a very large order, and  
7 it was -- This was just up down, up down, and it was  
8 very satisfactory. Went over their 91 line order,  
9 response time was great.  
10 So it was challenging.  
11 Q. What was challenging?  
12 A. Just all the effort, I guess, to -- and the  
13 hope, there were always new patch levels coming out with  
14 how to correct this, or recommendations to maybe change  
15 the way you were doing something. And also, just  
16 getting good feedback of what actually is happening, so,  
17 so you could address the situation.  
18 And LSi developed a really, Joe Guagenti  
19 developed a really good, he called it a bug tracker, but  
20 we had a really good handle of any issue that was  
21 reported, whether we could verify it, or not.  
22 So if we could verify it, or if we needed to go  
23 to SAP, sometimes you had to log an incident with SAP and  
24 go through that channel, and so on. So there was a really  
25 good method of trying to follow through with any incident

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1 that we encountered.  
2 Q. So just so I understand, the bug tracker  
3 provided information, but not necessarily confirmation  
4 of problems; is that correct?  
5 A. Confirmation as well. We would share that  
6 information with Hodell, and we'd say we can't duplicate  
7 this, or we can, or we've got an incident number from  
8 SAP, or this is coming out on the next update, things  
9 like that.  
10 Q. And when you say update, do you mean of  
11 In-Flight Enterprise?  
12 A. Right. We would -- Or patch level. Might  
13 have been a patch level we were installing with changes  
14 to In-Flight Enterprise.  
15 Q. And by patch level, is that a patch to  
16 Business One?  
17 A. Yes.  
18 Q. Okay. You also mentioned when you went to the  
19 St. Louis branch of Hodell, you said for a very large  
20 order there was up-down, up-down, and I'm not sure what  
21 you meant by that.  
22 A. I'm sorry. You would hear that an order takes  
23 two minutes to process. I walked over there and it was  
24 two or three seconds, a 91-line order, so when I say  
25 up-down, up-down, I mean it was sometimes hard to

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1 pinpoint the reality of whether -- how serious it was,  
2 or whether you could duplicate it, or, or what cause,  
3 what condition, maybe, they were experiencing.  
4 Q. Other than that experience you just mentioned  
5 at the St. Louis branch, did you view Hodell's use of  
6 the software firsthand on any other occasion?  
7 A. No.  
8 Q. And what you observed that day, what was your  
9 opinion of the performance of the software?  
10 A. It looked okay.  
11 Q. And when you say okay, do you mean -- What do  
12 you mean?  
13 A. It looked like acceptable performance on that  
14 given order.  
15 Q. Are you aware of Hodell's opinion of that  
16 given order on that day?  
17 A. They would have agreed. We were not -- We had  
18 a really good working relationship with Hodell. They  
19 were -- we both did, worked well together to try to fix  
20 or resolve anything we could, and they saw the same  
21 thing I did. I was with their branch manager there.  
22 Q. Do you recall who that was?  
23 A. I don't. I want to say Marty, or something,  
24 but I don't recall.  
25 Q. Okay. And did that person share your opinion

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1 those issues made -- was Hodell made aware of and  
2 acknowledged those issues pre-go live, or were those  
3 post-go live issues?  
4 A. I -- That category speaks primarily to  
5 performance, and so the performance was never resolved.  
6 I think anything that was a functionality, as  
7 far as a fix, or an enhancement thing was followed through  
8 on a timely basis, that could be fixed.  
9 Q. Okay. The performance problems, though, which  
10 I think is synonymous in your mind with the speed;  
11 correct?  
12 A. Right. Correct.  
13 Q. That was never remedied?  
14 A. Correct.  
15 Q. And is that something that is part of these  
16 pre-go live issues you're discussing in Exhibit 227,  
17 that you were hopeful would be resolved in one to two  
18 months going live?  
19 A. Yes.  
20 Q. Is it fair to say that Hodell agreed to go  
21 live based on LSI's recommendation that those kinds of  
22 issues would be remedied within one to two months of  
23 going live?  
24 A. They -- I would say they made a decision to go  
25 live on an acceptable level of performance with the

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1 expectation that they would continue to get better, yes.  
2 That the performance would get better with enhancements  
3 and fixes. I don't think they would have gone live, nor  
4 would we tried to let them go live with an unacceptable  
5 performance level.  
6 Q. The performance level upon which Hodell was  
7 basing its go live determination, is that the same  
8 performance level that they actually experienced upon  
9 going live, or was the post-go live performance level  
10 worse?  
11 A. I don't know. Probably similar. Probably  
12 close to the same.  
13 Q. Is it fair to say that you're not aware of  
14 whether Hodell does or does not use Business One  
15 currently?  
16 A. Correct.  
17 Q. This has been marked as Exhibit 55.  
18 A. Okay.  
19 Q. Exhibit 55 is an e-mail from yourself to Kevin  
20 Reidl and others, dated January 12, 2007; correct?  
21 A. Yes. January 22nd -- or January 12th, you're  
22 right.  
23 Q. This is about a couple of months prior to the  
24 go live date?  
25 A. Yes.

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1 Q. Okay. What's being discussed in this e-mail?  
2 A. Again, the status and the planning to go ahead  
3 and work toward the go live.  
4 Q. You make this statement about halfway through,  
5 you don't want to sound as if you're trying to push  
6 something through regardless, but you are pushing to  
7 move forward if it can be managed at a business  
8 acceptable level?  
9 A. Correct.  
10 Q. What did you mean by that?  
11 A. I meant that I didn't want to suggest that we  
12 go live with a foolish decision, but if we had an  
13 acceptable performance level that we should -- we, I  
14 felt we could go ahead and plan to go live.  
15 Q. Were you getting some push back from Kevin  
16 Reidl at this point about going live?  
17 A. No. And I don't think so. In fact, I would  
18 recall almost the opposite. We either needed to try to  
19 go live now, or it would have rescheduling  
20 considerations that were not as -- were less favorable,  
21 so...  
22 Q. Well, my question was, seems to me that Kevin  
23 Reidl and Hodell kept wanting to push back the go live  
24 date into the future, whereas, yourself, were more --  
25 would rather have gone live sooner?

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1 MR. BAIRD: Objection. Lack of foundation.  
2 A. I, I think we were working together to try to  
3 do the best thing, and I'm coming from the standpoint of  
4 trying to work toward a definite goal and doing what we  
5 can, and what we need to do for that goal, and make the  
6 right decision at that time, and I think they were  
7 working toward the same goal.  
8 Q. Were you relying upon any information from SAP  
9 during the time of these e-mails in determining whether  
10 the testing issues, or the pre-go live issues would be,  
11 quote, unquote, "manageable"?  
12 A. I'm sure I was. And I can't be specific, but  
13 I think there are references to an e-mail that's just  
14 within a few days after going live, that already was  
15 sent from SAP, was going to fix certain issues.  
16 So yes, there was, there was a constant  
17 conversation between us and SAP with patch releases, and  
18 enhancements, and fixes.  
19 So I was relying on SAP to continue to assist us  
20 either with patch releases, or other ways to continue to  
21 enhance the system.  
22 Q. Are you talking about before going live, or  
23 after?  
24 A. Both.  
25 Q. Okay. So part of the, I guess, your advice to

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1 A. I think so, yes.  
 2 Q. And what about the drawing, this circle  
 3 around?  
 4 A. I don't know.  
 5 Q. Does that look like your --  
 6 A. No.  
 7 Q. Okay. Looking at Exhibit 36, do you recognize  
 8 the handwriting at the top?  
 9 The date, two thousand, whatever it is?  
 10 A. No, I don't.  
 11 Q. Okay.  
 12 A. It's not mine. I don't make a two that way.  
 13 Q. Handing you Exhibit 37. Just read the  
 14 highlighted yellow portion for me, please.  
 15 A. "SAP Business One is ideally suited for  
 16 companies with revenue up to 100 million, or with up to  
 17 250 employees, implemented in many markets. It is  
 18 optimized for companies in the retail, wholesale, basic  
 19 manufacturing, discrete and process." Then it goes on.  
 20 Q. Now the handwriting that's next to that, or  
 21 the symbols that are next to it, is that yours?  
 22 A. I have no way of knowing. It doesn't seem  
 23 like it would be. It might be.  
 24 Q. Hand you Exhibit 38. Just read that  
 25 highlighted yellow. I'm going to ask you about the

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1 handwriting again.  
 2 A. "Whether you have five employees, or 500, SAP  
 3 Business One helps emerging businesses streamline their  
 4 operational and managerial processes."  
 5 Q. Now as a computer program person, do you  
 6 differentiate between employees and users in a statement  
 7 like that?  
 8 A. No.  
 9 Q. Okay. Is that your handwriting?  
 10 A. That is not my handwriting at the top.  
 11 MS. BOOTH: We need to go off the record for a  
 12 moment?  
 13 MR. HULME: Okay.  
 14 [Whereupon, there was a short break].  
 15 MS. BOOTH: Going on the record at 6:21.  
 16 Q. (By Mr. Hulme) From your understanding and  
 17 perception, was all the work that was done by LSi, the  
 18 programming, the communication of information, was that  
 19 all in accordance with SAP policies, practices and  
 20 principals?  
 21 MR. BAIRD: Objection.  
 22 A. Yes.  
 23 Q. (By Mr. Hulme) Did LSi follow industry  
 24 practices and procedures and standards in the testing  
 25 that was done before go live?

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1 A. Yes.  
 2 Q. So there was actually stress testing done of  
 3 this system before the go live?  
 4 A. Yes.  
 5 Q. And from your perspective, was it an  
 6 appropriate amount of stress testing done in a proper  
 7 way?  
 8 A. Yes.  
 9 Q. The decision when to go live, was that a joint  
 10 decision of you, Hodell, and SAP?  
 11 A. Not SAP. LSi and Hodell.  
 12 Q. All right. And what's your opinion as to the  
 13 sophistication level of Kevin Reidl and his ability to  
 14 make an informed decision as to when to go live?  
 15 MR. LAMBERT: Objection.  
 16 Q. (By Mr. Hulme) Go ahead.  
 17 A. Top notch.  
 18 Q. This was a free, and open, and frank  
 19 discussion between you and him as to when to go live?  
 20 A. Yes.  
 21 Q. Is my understanding correct, that it was not  
 22 an industry standard practice or policy to run parallel  
 23 systems back in 2004, and 2005, 2006?  
 24 A. Correct.  
 25 Q. This site visit, or visits you made, you said

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1 you made one to St. Louis; correct?  
 2 A. Yes.  
 3 Q. Did you ever go to Cleveland?  
 4 A. Yes.  
 5 Q. All right. How many occasions?  
 6 A. One occasion.  
 7 Q. Okay. Do you remember approximately when that  
 8 was in relation to the go live?  
 9 A. Very early on.  
 10 Q. Well before?  
 11 A. Maybe in '05, right.  
 12 Q. And the site visit in St. Louis to observe its  
 13 actual operation was after go live?  
 14 A. Yes.  
 15 Q. Did you observe any deficiencies or problems  
 16 with the operation here in St. Louis when you went for  
 17 your observation?  
 18 A. I went for a specific test observation, so the  
 19 one I went to observe proved okay.  
 20 Q. All the e-mails that you sent throughout this  
 21 relationship with Hodell and SAP, the information that  
 22 you included in those e-mails, were those all truthful,  
 23 and your best opinions based upon the then available  
 24 knowledge?  
 25 A. Yes.